

OFFICE *of* MINORITY AND WOMEN INCLUSION  
2016 ANNUAL REPORT TO CONGRESS

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FEDERAL RESERVE BANK *of* NEW YORK









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# Executive Summary

The Federal Reserve Bank of New York (“New York Fed” or “Bank”) is pleased to present its sixth *Annual Report* for the Office of Minority and Women Inclusion (“OMWI”). The report provides an update on the New York Fed’s continuing efforts to enhance its workforce diversity, business and supplier diversity, economic education, and community outreach programs that collectively satisfy the requirements of Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”).

The Bank made notable progress in connecting its commitment to the values of diversity and inclusion with direct and measurable results from a well-articulated and executable strategy. Highlights of this reporting year include the following:

**Strategy:** In September, the Bank’s Management Committee approved and announced the Bankwide Diversity & Inclusion (D&I) strategy. The Strategic Planning Office facilitated the effort and included working group members from the Bank’s Human Resources Group, Legal Function, Communications and Outreach Group, Executive Office, the Office of Diversity and Inclusion/Office of Minority and Women Inclusion and other Business groups. Diversity initiatives were focused on four main areas: workforce, workplace, suppliers, and community. As a result of work in progress within Procurement Value Management (as highlighted in this report) and Communications and Outreach (also highlighted in this report) the working group concluded that the initial emphasis for making progress on these fronts would focus on workforce diversity and workplace inclusion. The project plan for these initiatives spans the next three years (2016-2019) and includes annual assessments of progress as part of the Bank’s normal planning cycle. The working group will continue to meet, monitor and support implementation of the Diversity & Inclusion strategy.

**Human Resources:** In 2016, the Bank succeeded in recruiting a diverse intern class, 42% of whom were minorities, roughly in line with the performance achieved in the previous year (45%). The Bank designed the ten week Summer Intern Program (for undergraduate and graduate students) to provide interns with meaningful work assignments and exposure to various career options at the New York Fed, with the objective of converting interns into permanent hires upon graduation.

2016 HIRING STATISTICS		
TOTAL EXTERNAL HIRES	WOMEN	MINORITIES
289	41%	46%
INTERNS		
53	40%	42%





In September, the Bank also held its second annual Undergraduate Student Summit (formerly United by Strengths Summit) to identify high potential, diverse undergraduate college students to participate in a two day on-site program offering business and career development workshops.

The Bank continued the practice of educating hiring managers regarding how to value and manage diversity and inclusion throughout the hiring process. As one example, over 350 hiring managers received communications at the beginning of the hiring process with information on the role and impact of unconscious bias in the hiring process as well as additional resources to help them identify and mitigate bias in the process.

**Supplier Diversity:** In 2016, the New York Fed built upon the foundation laid by the new supplier diversity engagement model implemented by the Procurement Value Management function in 2015. The principles set forth by this model promoted a strategy of collaboration and shared accountability among those procuring goods across the organization.

**Economic Education, Community Engagement and Outreach:** Beginning in November, Human Resources, Communications and Outreach and the Office of Diversity & Inclusion agreed to explore partnership opportunities with the Council for Adult and Experiential Learning (a not-for-profit organization dedicated to helping all adult learners, regardless of their backgrounds, to enhance their economic and educational opportunities).

In 2016, the Bank laid the foundation for an infrastructure to increase the numbers of Title I high school groups who participate in Bank education and outreach programs. The program reached over 940 students of which almost 40% represented Title I high school students.

The Bank welcomes the opportunities presented in the OMWI provision of the Dodd-Frank Act to continue strengthening its diversity and inclusion efforts. The 2016 OMWI Annual Report highlights many of the New York Fed's efforts related to workforce diversity, business and supplier diversity, and economic education and community outreach. It also includes reportable spend data concerning the Bank's minority-owned and women-owned contractors, as well as a demographic profile of the Bank's workforce. This report describes the specific steps taken and assesses the progress made, as well as challenges encountered. This report concludes with a discussion of the plans in place to move these initiatives forward.





# Overview

## *The Federal Reserve Bank of New York*

The New York Fed works within the Federal Reserve System (“the System or Fed”) and with other public and private sector institutions to foster the safety, soundness, and vitality of the nation’s economic and financial systems. It is one of 12 regional Reserve Banks that, together with the Board of Governors and the Federal Open Market Committee in Washington, D.C., make up the Federal Reserve System. The Fed was created by Congress in 1913 to serve as the central bank of the United States

The New York Fed serves the Second Federal Reserve District, which includes New York State, the 12 northern counties of New Jersey, Fairfield County in Connecticut, Puerto Rico, and the U.S. Virgin Islands. Though this represents a geographically small area compared with those of other Federal Reserve Banks, the New York Fed is the largest Reserve Bank in terms of assets and volume of activity. The Bank has approximately 3,100 employees located primarily at its head office in Manhattan and its operations center in East Rutherford, NJ. The New York Fed has three principal missions:

- To contribute to the development of monetary policy and execute the monetary policy decisions of the Federal Open Market Committee;
- To support financial stability in the United States and abroad through supervision of financial institutions and payments system oversight pursuant to authority delegated by the Board of Governors, and through market and payments system monitoring, and lender-of-last-resort responsibilities; and
- To promote and provide safe and efficient financial services to financial institutions, the U.S. government, and foreign central banks.

## *The Office of Minority and Women Inclusion*

In compliance with Section 342 of the Dodd-Frank Act, The New York Fed established an Office of Minority and Women Inclusion in 2011 and placed responsibility for the Office in the Bank’s existing Office of Diversity and Inclusion. The Bank took immediate actions to ensure compliance with all aspects of the Act, building on its long-standing efforts to promote equal employment opportunity and workforce diversity, to foster diversity with respect to the Bank’s procurement practices, and to engage in outreach to the community. The Office of Diversity and Inclusion is located within the Bank’s Executive Office, which allows for direct access to and support by the Bank’s President and First Vice President.



# Workforce Diversity and Employee Outreach

*The New York Fed remains strongly committed to attracting, developing, and retaining a diverse workforce, and to fostering an inclusive work environment in which all employees have the opportunity to contribute fully and achieve professional growth. In support of this commitment, the Bank utilizes a comprehensive workforce diversity strategy that incorporates the recruitment efforts outlined in the Dodd-Frank Act.*

Appendices B and F provides information on the Bank's workforce representation in 2016.

## Progress

In 2016, the Bank built upon its commitment to foster a diverse and inclusive workforce in order to meet the future needs of the nation's evolving economic and financial systems. The Bank identified opportunities to strengthen its recruitment of diverse talent and continues to focus on pipeline strategy and development. This year, efforts continued to focus in three areas: 1) leveraging the key strategic Diversity Partner Organizations to source talent at both the entry and experienced-hire levels; 2) engaging a diverse group of retained search firms and incorporating into the Bank's agreements with these firms the expectation that firms will use their best efforts to identify a diverse slate of qualified and interested individuals to fill the open positions; and 3) sharing metrics and reports that enable the Bank, and individual business areas, to better track and measure progress with respect to workforce diversity efforts in the hiring process from the formation of slates to the final hiring decision.

Through this data, the Bank has identified the need to further develop its pipeline of diverse talent and better focus on the means of hiring, such as cohorts and partnerships, that have proven more successful in driving results for increased diversity in the workforce, not just the hiring process. Further, in alignment with the Bank's overall diversity recruitment strategy, the talent acquisition function of Human Resources refined certain approaches and broadened its reach in other areas. These included better focused efforts to identify and more fully leverage its partnerships with select Diversity Partner Organizations and expanding its social media outreach to diverse professionals. The Bank also implemented new initiatives designed to enhance talent and leadership development. These and other workforce diversity achievements and initiatives are described more fully below.

## Talent Acquisition

The New York Fed continued to pursue multiple avenues for identifying diverse talent including partnering with professional diversity organizations, participating in career fairs, posting openings on job boards such as DiversityJobs.com, and advertising career opportunities to diverse professionals via social media. For entry-level positions, the Bank leveraged its long-standing Summer Intern Program to recruit undergraduate and graduate students. In 2016, the Bank was successful in recruiting a diverse intern class, 42% of whom were minorities, in line with the performance achieved in the previous year (45%). The 10 week program (for undergraduate and graduate students) is designed to provide interns with meaningful work assignments and exposure to various career options at the New York Fed, with the objective of converting interns into permanent hires upon graduation. Of the 40 eligible interns who were offered full-time positions at the Bank, 37 accepted, representing a yield rate of 93% (up from 80% the previous year). (Information regarding core measures for management representation, hiring and financial education can be found in Appendix F.)

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For the fifth consecutive year, the Bank continued its engagement with the Consortium for Graduate Study in Management (CGSM) and attended the organization's 50th Annual Orientation Program and Career Forum in June. CGSM is one of the nation's largest diversity networks, linking top-tier students from the nation's 18 leading MBA programs with 75 corporate partners, including Fortune 500 companies. However, due to limited success with CGSM more recently, the Bank is reconsidering its relationship for the future.





The Bank also continued to leverage its partnership with INROADS in sourcing undergraduate student talent for the Summer Intern Program. INROADS's mission is to develop and place talented underserved youth in business and industry and prepare them for corporate and community leadership. In 2016, the Bank also engaged Sponsorship for Educational Opportunities (SEO) Career as a diversity partner. SEO Career is a professional development and internship program targeting talented Black, Hispanic, and Native American undergraduate and pre-law school candidates. SEO Career provides these candidates with the education, development, growth and experience needed to gain a competitive advantage and launch their careers.

In September, the Bank held its second annual Undergraduate Student Summit ("The Summit") to identify high potential, diverse undergraduate college students to participate in a two-day on-site program offering business and career development workshops. Additionally, the Summit enhanced brand awareness to increase interest in the New York Fed as an employer of choice. At the conclusion of the Summit, participants were interviewed for the 2017 Summer Internship Program. The Summit had 20 participants in 2016. In 2017 the Bank intends to hold a similar summit for graduate students and a summit for mid-career professionals which will educate them on the relevance of the Bank to the world economy.

The Bank also executed a multi-media plan aimed at revamping its online presence, including the establishment of a "Day in the Life" social media series featuring diverse intern candidates and highlighting various Bank Groups. In addition, the Bank instituted a "Summer Intern Twitter" series through which select 2016 summer interns "live tweeted" about their summer experience at the New York Fed. The Bank continues to rely on several social media campaigns aimed at identifying diverse talent. These platforms included LinkedIn, utilizing targeted recruiting ads and sponsored updates and Diversityjobs.com, a job site developed by LatPro connecting African Americans, Asian Americans, Hispanics, women, veterans, the disabled, members of the Lesbian, Gay, Bi-sexual and Transgender (LGBT) community and other minority groups with diversity-friendly companies.

In 2016, the Bank's Supervision Group, with the support of the talent acquisition function of Human Resources, continued its "Rising Assistant Program" hiring three additional diverse undergraduate students to work


in entry-level roles while attending college, with the ultimate goal of securing a position in the Summer Intern Program and/or full-time employment. Three of the upperclassmen in the program received offers for full-time employment and will be joining the Group's Supervisory Development Program in 2017.

The New York Fed periodically uses search firms to source candidates for executive level positions. The Bank's standard contract with retained search firms stipulates its expectation that firms will use their best efforts to identify a diverse slate of qualified and interested individuals to fill open positions. In 2016 the Bank conducted two Executive Vice President searches. In each case, the President, Management Committee and Directors considered a diverse panel. One of these two searches resulted in appointment of a diverse candidate from an under-represented group.

The Bank continues to advertise its job postings on the websites of its diversity partner organizations. For example, the New York Fed has continued to collaborate with the National Business and Disability Council (NBDC) to help source participants for the Bank's "Disability Mentoring Day" (DMD). This program is part of a large scale, national effort held in honor of National Disability Employment Awareness Month to provide students and job seekers with hands-on career exploration, on-site job shadowing, and mentoring. The New York Fed has for several years leveraged DMD and its relationship with the NBDC to increase awareness of full-time career opportunities at the Bank. The NBDC currently posts New York Fed's Summer Intern Program opportunities, as well as regular, full-time positions on its website.

Since 2007, the Federal Reserve System has collaborated to implement and execute strategic national diversity recruiting and advertising efforts across all Reserve Banks, Board of Governors and Federal Reserve Information Technology. The System Diversity Recruiting Strategy uses a collaborative approach toward participation in five national, diversity-focused conferences and several regional conferences. Diversity advertising online, in print and on social media aligns with conference presence to position the System as an employer of choice. The Bank has recently shared its experience in conducting the Undergraduate Student Summit with the System Staffing Group. This is part of continuing discussions as to how to enhance diversity recruitment at the college and university level and may result in conducting regional summits in the future.





The Bank continues to be an active participant in the Federal Reserve's system-wide collaboration to advertise and recruit at national diversity recruiting conferences. In 2016, the Bank participated in the recruiting conferences sponsored by Prospanica and the National Black MBA Association. In addition, the New York Fed participated with the San Francisco and Atlanta Reserve Banks in the National Reaching Out MBA Conference with the objective of increasing awareness of career opportunities at the Bank among LGBT graduate students.

As part of Outreach and Education's efforts to broaden the reach of the Bank's education programs, a partnership was launched in 2013 with the City University of New York (CUNY), the largest public urban university in the U.S with over 540,000 students across 24 institutions. One of the pillars of this partnership is the CUNY Scholars Program, in which CUNY undergraduate students are placed in 24-week internships across different areas of the Bank. The students work on projects relevant to their careers and academic pursuits. They gain valuable real-world work experience and knowledge of the Federal Reserve System, and become potential candidates for full-time positions. Since the program began three years ago, scholars from Lehman College, Queens College, City College, City Tech, and Borough of Manhattan Community College have been placed in internships in five of the Bank's groups.

### **Diverse Slate Protocol**

Diverse slate protocols continue to be a focus and priority for the Bank in its hiring practices. Recruitment staff collaborate closely with hiring managers to identify a highly qualified slate of diverse candidates for openings at all levels of the organization. In order to increase translation of the commitment to using diverse slates to achieving greater diversity in the workforce, the Bank uses metrics and reports to better track progress of candidate pools from formation to hiring decision Bankwide and within organizational units. In 2016, the talent acquisition team in Human Resources continued to meet with the heads of business groups, along with their direct reports, to discuss business diversity goals with respect to hiring metrics which include diversity slates and hiring decisions. In 2016, these meetings included a discussion of "Key Themes" derived from the analytics to promote learning and shared awareness across the Bank. These "Key Themes" were discussed by the Human Resource Business Partners and were supported by their knowledge of the strategy of the individual businesses. In addition, recruiters in talent acquisition receive bi-weekly

diverse slate metrics broken out by requisition, thereby improving transparency and raising awareness of progress with respect to diverse slates, and encouraging further discussions with hiring managers. During 2016, the talent acquisition team has also encouraged diverse slates of interviewers to help support the overall hiring practices of the Bank.

### **Hiring Manager Education**

Throughout 2016, the Bank continued the practice of educating hiring managers regarding diversity in the hiring process. At the start of a search, hiring managers are sent an email from the Head of Talent Management highlighting communications from President Dudley on "The Value of Diversity." Hiring managers and all interviewers are encouraged to take the Implicit Association Test to raise awareness of unconscious bias; and receive a short PowerPoint deck describing bias in the hiring process with a recommendation to enroll in the Bank's proprietary program, "Hiring in a 21st Century Workforce." Over 350 hiring managers received this email during 2016.

### **Talent Development and Retention**

The Bank continues to assess and enhance its tools and programs related to career management and leadership development, and to focus on the mentoring needs of its employees. A variety of professional development activities support the Bank's commitment to diversity and inclusive behavior. Key accomplishments are highlighted below.

All Bank staff are required to complete "*Cultivating a Community of Diverse People and Thought*," an eLearning course, every two years. The eLearning module introduces the business case for diversity, helps participants recognize inclusive behaviors, and defines maturity characteristics for organizations as they relate to diversity and inclusion.

Building on a successful launch in 2015, the Bank continued its *Maximizing Impact through Diversity & Inclusion* class during 2016. This half-day program provides deeper insight into the Bank's commitment to diversity and inclusion (D&I) in the "One Bank" context, and explores the role that D&I plays to achieve better quality of work output, decision-making, productivity and participation.





*Maximizing Impact through Diversity & Inclusion* content is included in the Bank's flagship leadership and management program curricula beginning with "Preparing to Lead," a six-month, nomination-based program launched in 2014 for prospective people-managers. The program's goals include: introducing the principles of foundational management; creating camaraderie and fostering strong networks across high performing employees; and instilling a mindset that management begins before formal authority. *Maximizing Impact through Diversity & Inclusion* is also included in the Bank's "Management Development Program," a nomination-based program for existing people-managers that spans nine months.

"Hiring in a 21st Century Workforce" is a one-day class that educates managers on the processes and practices instrumental in effective hiring. It is a component of the Management Development Program, and is offered regularly to all Bank staff involved in the hiring process. The class addresses critical process steps and behaviors that mitigate the risk of bias within each step of the Bank's hiring process: the planning and coordination required for an effective interview process; the questioning skills to assess a candidate in an interview; and best practices to debrief and make hiring decisions.


The Bank launched a second cohort of the "Senior Leader Program" for 24 senior officers. This year-long program emphasizes diverse and inclusive behaviors within the specific contexts of emotional and social intelligence. Leading academic researchers and teaching faculty are an integral part of executive development, specifically: Dr. Scott Page, University of Michigan, author of "The Difference"; Dr. Mahzarin Banaji, Harvard School of Psychology, co-author of "Blind Spot"; and, Dr. Richard Boyatzis, Case Western Reserve, co-author of "Primal Leadership".

As part of its Career Management Framework, the Bank has completed a 3-year self-directed mentoring program. "NY Fed Mentor," a technology application open to all Bank staff to foster employee-driven mentoring, was implemented in 2014. While it provided a foundation to facilitate connections between mentees and mentors, the number of active mentoring

pairs did not justify the cost of the technology platform. As a result, and in keeping with the high value placed on community at the Bank, the focus of mentoring is shifting toward more tailored experiences for Bank staff through the existing Employee Resource Networks. For example, in 2016 the Executive Vice President of Human Resources mentored six Employee Resource Network members, and the Learning and Development department, working with ODI and Communications, designed a seminar for an Employee Resource Network addressing self-advocacy in the workplace. The session is scheduled for delivery in 2017. In 2016, Human Resources, Communications and Outreach, and the Office of Diversity and Inclusion agreed to engage with the Council for Adult and Experiential Learning, a not-for-profit organization dedicated to help "all adult learners, regardless of their socio-economic circumstances, to enhance their economic and educational opportunities, employability, and career success." Although in a formative phase, the Bank has assembled a working group to assist in developing content to help potential job-seekers better understand the benefits and entry points to a career in financial services, i.e. understanding which interests, skills, education, and experiences correspond to different roles in the sector. The intent of the New York Fed's participation is to use the site as a way to attract and interest non-traditional job-seekers to the regulatory side of financial services and as a vehicle for the Bank to better explicate its purpose and mission to the public.

The Bank integrates diversity and inclusion measures and criteria into the evaluation and development of its staff. Currently, the Bank employs a diversity and inclusion competency as part of the performance appraisal process. Performance reviews at the New York Fed include mid-year and year-end self-appraisals, manager appraisals, and performance review discussions, which take place two times per year. Thus, employees receive feedback on behaviors related to inclusion twice each year. Additionally, beginning in 2016 the Bank enhanced its multi-source feedback efforts by integrating developmental 360 feedback into three distinct employee and management development programs. The new 360 feedback approach emphasizes interpersonal skills, management skills, and also includes a focus on emotional intelligence, an integral aspect of valuing difference and





driving inclusion. The 360 feedback programs are intended to yield a comprehensive report that is used to help enhance employee development. The Bank also integrates diversity and inclusion into its annual talent review process, a program that covers over half of the Bank's population. Finally, diversity representation is tracked annually as part of the Bank's Officer promotion process, and inclusive behaviors have been incorporated into the Bank's Officer promotion criteria and nominations. The Bank also offers opportunities for professional development through participation of diverse talent in CALIBR, the Executive Leadership Council (ELC)'s pipeline program. The ELC is the nation's preeminent organization of senior level Blacks in corporate America. Bank women attend the ELC Women's Leadership Forum annually. Three employees are also members of CALIBR, the ELC pipeline group focused on professional development and networking.

The Bank completed its seventh engagement survey in 2016. The Bank and the System engaged the services of a new external vendor that provided improved metrics and normative comparisons. As part of the Bank's 2016 survey, a total of 11 questions were added to measure diversity and inclusion, work/life balance, and Employee Resource Network participation and impact. Notable findings are highlighted below:

- 79% of respondents said that Bank employees are treated fairly regardless of differences such as gender, age, national origin, disability, beliefs or sexual orientation.
- 81% said the Bank values a diverse workforce.
- 75% said the Bank values the needs of a diverse workforce.
- 69% said the Bank takes concrete actions to enhance diversity and inclusion.
- 71% said that the Bank's diversity efforts have had a favorable impact on behavior.

### **Diversity Educational Speakers' Series**

As in years past, the New York Fed's Diversity Educational Speakers' Series continued to educate and inspire Bank employees as well as employees across the System. The series featured accomplished individuals from a variety of backgrounds and experiences. While some speakers

shared their personal stories as part of cultural heritage month commemorations, virtually all speakers discussed the leadership principles underlying their lives and professional experiences. Utilizing the Employee Resource Networks in 2016, the Office of Diversity and Inclusion focused on providing D&I educational programming across the Bank. The Employee Resource Networks deliver value as part of the Bank's overall diversity and inclusion strategy. This year, the Office of Diversity and Inclusion focused on augmenting the business value and impact of the Bank's ten Employee Resource Networks. A brief overview of these programs is set forth below:

#### **Black History Month Program:**

##### **Conversation with Roger Ferguson**

The Bank's Chief Diversity Officer engaged in a fireside chat with the CEO of Teachers Insurance and Annuity Association (TIAA) Roger Ferguson, a former Vice-Chair of the Board of Governors. Mr. Ferguson discussed life experiences, personal characteristics, and other factors that helped propel him to success, as well as his views on what it meant to be a trailblazer in 2016. The audience consisted of FRBNY employees and was broadcast across the System.

#### **Hispanic Heritage Month Program —**

##### **Adelante: The Future of Puerto Rico**

Bank staff attended a moderated panel discussion featuring Bank experts who presented their work on Puerto Rico, discussed the function of the cross-Bank group on Puerto Rico, and explained how the Bank is working to help the island move past the economic crisis.

#### **Presentation by William Arruda on "Enhancing Your Personal Reputation" (Generations)**

Mr. Arruda, a renowned author, speaker, and expert on personal branding, conducted a presentation regarding how to identify one's personal and unique brand, and discussed how this information may be used to enhance personal reputation at the Bank.

In addition, in commemoration of Asian Pacific Heritage Month, Mr. Hank Paulson, former Treasury Secretary, joined President Dudley to talk about China and the financial crisis. This program served as the second installment of the Bank's Distinguished Speaker Series. This program was co-sponsored by the Asian Professional



Networking Alliance Resource Network, Communications and Outreach, Research and Statistics Groups, and the Office of Diversity and Inclusion.

All of these programs were streamed live and made available to other locations within the Federal Reserve System to enable them to experience the programming in real time.

## RESOURCE NETWORKS

The Bank's Resource Networks are now entering their ninth year, and as part of on-going efforts to sustain and support their business impact, the Office of Diversity and Inclusion officers are assigned to each network as an "Office of Diversity and Inclusion Liaison." The role of the Office of Diversity and Inclusion Liaison is to work closely with network officers and leadership advisors in the general management of the networks, and to assist each network in developing and implementing its strategic plans, and planning programs throughout the year. The networks are employee-driven, Bank-sponsored groups that support or are interested in a particular diversity dimension. Notably, every network is open to all New York Fed employees. Each network has its own dedicated leadership team and an executive sponsor, who is a senior officer of the Bank. Resource network leaders participate on an annual basis in a customized, strategic planning session that helps leaders determine how best to meet their members' needs and how to grow their network's impact. Network leaders also have the opportunity to participate in the annual Network and Affinity Leadership Congress (NALC), sponsored by Diversity Best Practices. The NALC provides a forum for New York Fed Resource Network leaders to meet with their counterparts at other organizations and exchange best practices and other information.

### IN 2016, 40% OF NEW YORK FED EMPLOYEES ACROSS ALL LEVELS WERE SUBSCRIBED IN RESOURCE NETWORKS

In addition to promoting an inclusive work environment, the Bank's Employee Resource Networks help enhance employee engagement. Employee Resource Network programming and initiatives, which align with the Bank's strategic business objectives, fall into four broad areas: recruitment and retention of diverse talent; professional development; education/innovation; and community involvement. Resource network professional development activities take many forms, including sponsoring senior Bank leaders for small group discussions on career development strategies. The Employee Resource Networks partner with the Office of Diversity and Inclusion on an ongoing basis to host outside speakers and experts on a range of topics of interest to Bank staff. The Employee Resource Networks also continue to sponsor a wide range of community volunteer opportunities. (See Appendix C for a comprehensive listing of Employee Resource Network community engagement activity in 2016.)

## Employee Resource Networks

- African-American and Latino Men's Alliance (AALMA)
- Asian Professional Networking Alliance (APNA)
- Disabilities Awareness Network (FedAbility)
- Multi-generational Network (Generations)
- Mentoring, Opportunities, Support, Advancement, Inspiration, and Change for African-American and Latina Women's Network (MOSAIC)
- Evening Shift Network (Nightlight)
- Lesbian, Gay, Bi-sexual and Transgender Employees and Allies Network (OPEN)
- Military Veterans and Families Network (Veterans)
- Women's Mentoring and Empowerment Network (WoMEN)
- Working Families Network (WFN)





## Challenges and Next Steps

The Bank remains firmly committed to fostering a diverse and inclusive workforce that is well positioned to address the future challenges of the nation's evolving financial and economic systems. The New York Fed continues to work to increase diverse representation among its senior leaders and to enhance its pipeline of diverse talent. Importantly, the New York Fed regularly reassesses its diversity recruitment program to make refinements where necessary and identify new opportunities for sourcing candidates. In 2017, the Bank will continue to strengthen and fully leverage its partnerships with select Diversity Partner Organizations. The New York Fed has launched a formal, diversity recruitment social media campaign. In particular, the Bank is evaluating alternative internet-based diversity networks to continue its outreach to a diverse population of professionals.

Many of the positions at the New York Fed require specialized skills and/or advanced study. One of the Bank's challenges with respect to recruitment is the already strong competition for diverse talent with these skills and/or academic credentials within the financial services industry in New York City.

A continuing challenge in the academic world is to improve the under-representation of minorities and women in the field of economics. The New York Fed continues to collaborate with other professional organizations that are working to increase the number of minority and women economists. In particular, the Bank has a long-standing relationship with the Committee on the Status of Women in the Economics Profession (CSWEP), an organization dedicated to increasing the pipeline of women in economics. A senior Bank economist is a member of CSWEP's board of directors. The Bank also sponsors two CSWEP graduate summer interns each year, something that has been done for a number of years. These internships bring in PhD students who are close to finishing and going on the market, to work on their dissertations and to interact with our economists. Additionally, the Bank continues to support programs with similar missions that are run by its diversity partner organizations. The New York Fed also works on several fronts to expose diverse high school students, particularly those who have strong quantitative skills, to career opportunities in economics and finance. These include delivering economic education programming to high school students from underserved communities and broadening the set of colleges that participate in the Bank's College Fed Challenge program. The Bank's efforts in this regard are described more fully in the "Economic Education and Community Development & Outreach Programs" section of this report.







# Business and Supplier Diversity

*The New York Fed remains committed to ensuring that all firms interested in and qualified to do business with the Bank have the opportunity to do so. In an effort to foster diversity in its business and contracting activities, the Bank seeks to promote an environment that provides access and opportunity for minority-owned and women-owned business enterprises seeking to do business with the New York Fed. Bank efforts include engaging with diversity business organizations and industry groups, integrating supplier diversity practices into its core procurement processes, conducting outreach to further develop its database of diverse firms willing and capable of doing business with the Bank, and providing technical assistance to small and diverse businesses within the Second District. The Bank's business groups are also committed to supporting diversity and inclusion by ensuring staff and senior leaders are aware of, and engaged in, diversity initiatives across the Bank.*

*In accordance with the Bank's standards and procedures for OMWI contracting provisions required under Section 342 of the Dodd-Frank Act, the New York Fed notifies its vendors of its commitment to workforce diversity and its expectation that Bank vendors share that commitment. The New York Fed also gathers information on the efforts of certain vendors concerning their workforce diversity.*

## Progress

The Bank continued to make progress toward its goals of expanding access and opportunity for small and diverse firms to participate in the business activities of the New York Fed. In 2016, the Bank continued to partner with a range of government agencies, community groups, and diverse business organizations to sponsor eight Access to Capital workshops for small and diverse businesses. In addition, the New York Fed continues to work to further embed its supplier diversity practices into procurement activities across all business lines. In particular, the Bank reinforces the expectation for attention to diversity in procurement, so that we ensure whenever possible, business areas include diverse suppliers on all prospective vendor lists. The New York Fed also worked on several fronts to expand its pool of diverse-owned businesses. This section of the report provides additional information regarding the Bank's efforts in all of these areas.

## Business Diversity

The Bank's business groups all work to support the strategic diversity and inclusion objectives for the Bank. Below are highlights from two business areas.

In 2016, the Supervision Group sought to foster workforce diversity through several initiatives, including a

Rising Assistant Program, a General Diversity Working Group and a Cognitive Diversity initiative. The Rising Assistant Program was designed to develop a long-term pipeline of diverse talent for the Group by offering part-time internships and technical training to local area college students. Four Rising Assistants have graduated into the full-time Supervisory Development program since its inception in 2015. Supervision staff formed a General Diversity Working Group tasked with developing a broad set of practices that could contribute to an environment inclusive of various staff experiences, abilities and preferences. The group implemented several projects, focused on the themes of knowledge-sharing, communication style, career development, work/life balance, technology, onboarding and staff recognition. In addition, Supervision undertook a group-wide Cognitive Diversity Initiative to develop best practices aimed at ensuring the integration of multiple views into decision-making processes and output. In addition to the specific efforts noted above, Supervision staff participate in and lead many of the Bank's Employee Resource Networks. The Supervision Group Head, for example, is the executive sponsor of the Bank's OPEN network.

During 2016, the Markets group partnered with various groups across the Bank to enhance internal diversity and inclusion via a strategic plan that aligned with the Bank's





overall objective relating to diversity and inclusion. In collaboration with the talent acquisition team in Human Resources, a Markets Group Diversity and Inclusion workgroup developed a recruiting guide to be utilized during the hiring process that focused on the importance of diversity and ways to address implicit bias in the recruiting process. The workgroup also sponsored events resulting in increased participation in the Bank's Employee Resource Networks. In addition, the workgroup supported the education, awareness and communication of diversity and inclusion efforts across the Bank by providing targeted training sessions specifically for Market Group staff and senior leaders, as well as developing a diversity and inclusion intranet page to increase awareness of related Bank initiatives and objectives.

### **Access to Capital Forums**

The Bank continued to execute a series of grassroots forums designed to serve the economic needs of small businesses in the district. This series of clinics, called Access to Capital for Small Business, provides information on business loans - the different sources and lenders - as well as the kinds of materials required for application. The clinics are an important tool to support small businesses throughout the Second District, and they help connect the Bank to public audiences. These events are designed to provide attendees with information about the various types of financing methods available to their business and often bring together national and local providers of credit. The forums also assist the Bank in identifying diverse small business owners as potential advisory council members or partners. In 2016, the Bank continued to partner with Empire State Development and New York Department of Agriculture and Markets to craft a special series of events specifically designed for food, beverage, and agricultural enterprises. These sectors are incredibly important to New York State and rural areas. The Bank concluded the series with an Access to Capital forum in Danbury, CT which targeted small businesses along the I-84 / Route 7 corridor - a key region in Fairfield County.

### **2016 Access to Capital Forums**

#### **March 2016**

**Rising Enterprise Summit: Access to Capital Millennials (NY, NY)**

#### **April 2016**

**Access to Capital: Bridging Markets (Ponce, Puerto Rico)**

#### **June 2016**

**Access to Capital: Food, Beverage, and Agricultural Enterprises (Niagara Falls, NY)**

#### **July 2016**

**Access to Capital: Food, Beverage, and Agricultural Enterprises (Rochester, NY)**

#### **October 2016**

**Access to Capital: Food, Beverage, and Agricultural Enterprises (Hyde Park, NY)**

#### **November 2016**

**Access to Capital: Stages of Borrowing - Where to Go and When? (Danbury, CT)**





## Supplier Diversity

In 2016, the Bank's Procurement Value Management function continued to build upon the new supplier diversity engagement model which it implemented in the previous year. The model extends supplier diversity accountability across the entire procurement organization, tying it to performance goals, facilitating increased involvement in outreach activities and allowing diverse vendors direct access to sourcing professionals.

To grow the Bank's pool of diverse vendors, the New York Fed continues to develop its strategic partnerships with diverse business organizations: the New York and New Jersey Minority Supplier Development Council, the Women Presidents' Educational Organization, the Institute for Supply Management's Diversity Committee, the Financial Services Roundtable for Supplier Diversity and the National Minority Supplier Development Council. The Bank continued to participate in meetings and conferences with these organizations in 2016. (A listing of the Bank's 2016 supplier diversity outreach activities is included as Appendix E.) The Bank also leverages these diverse business organizations to identify potential diverse vendors, benchmark its supplier diversity efforts, and keep abreast of emerging best practices.

In 2016, the New York Fed continued its active involvement in the Federal Reserve System Supplier Diversity Workgroup, a System-wide collaboration aimed at furthering supplier diversity programs and practices, as well as coordinating national supplier outreach efforts. As part of the New York Fed's involvement with the Federal Reserve System's Supplier Diversity Group, the Bank participated in a national supplier diversity conference sponsored by the National Minority Supplier Development Council held in Chicago. New York Fed procurement professionals were able to interact with hundreds of diverse suppliers, as well as share practices with peers from other districts.

In the fourth quarter of 2016, Procurement Value Management completed work on a database solution that will increase the visibility of capable and willing diverse suppliers for consideration in the Bank's procurement activities. This searchable database will enable Procurement Value Management sourcing professionals to document diverse suppliers in a collective repository and use it to find diverse suppliers for specific business requirements in a quick and efficient manner. Implementation of the database is underway and will be completed early in the first quarter of 2017.

## Technical Assistance Forums

In 2016, the Bank hosted three technical assistance forums for diverse firms. In partnership with National Hispanic Business Group, the New York Fed conducted a forum for Hispanic-owned firms in the real estate industry. Firms were provided an overview of the System, the Bank's Acquisition Policy and supplier participation requirements. The forum included a networking session which gave attendees the opportunity to meet and speak directly with key decision makers in the Bank's Real Estate Department. In an effort to create awareness on the positive impact of supplier diversity, the Bank engaged Leonard Greenhalgh, PhD, Professor of Management at the Tuck School of Business at Dartmouth and Faculty Director of MWBE programs. Dr. Greenhalgh's lecture, "Creating Real Value for your Customers," was attended by diverse firms and New York Fed employees. In addition, the Bank hosted a technical assistance forum for diverse firms in the information technology industry. The event provided suppliers with key information on the requirements of doing business with the New York Fed. Representatives from the Bank's Communication and Research & Statistics groups spoke about the Federal Reserve System and their observations on the characteristics of small businesses in the U.S. Firms were also provided the opportunity to showcase their service offerings for the Bank's procurement and technology organizations. (A copy of this technical assistance forum agenda is included as Appendix D).





## Challenges and Next Steps

The Bank remains committed to ensuring that minority-owned and women-owned business enterprises that are interested in and are qualified to engage in business with the Bank have the maximum practicable opportunity to do so. The New York Fed will continue to look for opportunities to work with community organizations, government agencies and diversity business organizations to sponsor programs that can help small and diverse businesses access capital and build their capacity. In addition, the Bank will continue to develop its strategic partnerships with diverse business organizations such as the New York and New Jersey Minority Supplier Development Council to host quarterly meetings and offer technical assistance events.

The Bank also will continue to embed supplier diversity into its core procurement processes with enhancements to its supplier diversity engagement model. In addressing challenges relating to infrastructure support in identifying and contracting with qualified minority-owned and women-owned businesses, the Bank will continue to enhance its database of minority-owned and women-owned businesses. One such enhancement is to provide a self-service portal that diverse suppliers can use to provide contact and capabilities information in lieu of relying on email. An improvement such as this will make it more convenient and efficient for suppliers to provide information for inclusion in the database.





# Economic Education and Community Development & Outreach Programs

*The Bank has a long history of providing economic education and supporting financial literacy in the Second District, particularly among high school students. An important part of the New York Fed's mission in this regard is to teach students, educators, and the wider public about the role and impact of the Federal Reserve on the economy, and to encourage underrepresented minorities and women to consider advanced study and/or careers in economics and finance.*

*In addition, the Bank supports economic vitality in the District by promoting constructive dialogues around the credit concerns of local communities, and filling information gaps about business performance, credit options, and business conditions for small business owners. With that intention, the Bank regularly convenes regional, business, and community leaders to provide information, analysis, and technical assistance, and to highlight promising solutions that give special attention to low- and moderate-income communities.*

## Progress

In 2016 the Bank strengthened its commitment to deliver and enhance a comprehensive program that includes economic education and community outreach initiatives through its Communications and Outreach Group. The Bank continued to enhance delivery of educational programming for high school students from underserved populations, including leveraging its renovated Museum and Learning Center to host customized programs. Programming included launching a targeted school outreach initiative in the Second District and setting the foundation to increase the numbers of Title I high school groups that visit the Bank for educational museum tours each year. Select efforts are described in more detail below. Additionally, the New York Fed partners with non-profit organizations, diversity professional organizations, and schools to enhance financial literacy among underserved high school students. In keeping with the New York Fed's goal to foster economic prosperity throughout the Second District, the Bank continues to engage in dialogue and to build relationships with a wide range of constituencies.

## Economic Education and Community Development and Outreach

In 2016, the Bank continued a systematic outreach initiative focused on students from low and moderate income communities. The Bank also laid the foundation

for an infrastructure to increase the numbers of Title I high school groups who participate in Bank programs, to reach out to community colleges, and to networks and enrichment programs serving diverse populations. Select efforts are described in more detail below.

## School Outreach Initiative

Outreach and Education staff visited schools across the District to present students with an introduction to the Federal Reserve System; an introduction to monetary policy; a module on college financing; and to pique student interest in economics and finance. In 2016, the School Outreach Initiative expanded by training Bank staff to deliver the presentations and interact with students across the district. The program reached over 940 students. Of those, almost 40% represented Title I high school students, 35% represented community college students, and approximately 20% represented students of City University of New York and the State University of New York systems.

## FED 21

The Bank reaches community college educators through programs such as the Federal Reserve in the 21st Century symposium. The program gives college professors an opportunity to hear presentations from Bank economists and senior staff, ask questions, and network. This year, the program expanded to reach more community college professors, as well as professors from the City University of New York and State University of New York system.





In March, Outreach & Education piloted a live webcast in an initiative to reach more educators across the district. Three community colleges accessed the live webcast in their classrooms. In total, the program reached 141 educators in the Second District.

### **Math x Economics**

Outreach and Education hosted 46 high school students for the annual Math x Economics event. Twenty three of the participants were from the Network for Teaching Entrepreneurship Summer Start Up Program and the rest from the Yonkers Public School system. The students participated in panel discussions and interactive workshops to develop their math skills and learn about potential careers in economics. Because the majority of these students would be first generation college students, the centerpiece of Math x Economics was a panel discussion featuring guest speakers who shared their personal stories, describing the importance of economics in their professional career, and dispensing advice on how to study and find success in college. During the interactive learning sessions, students used their economics knowledge to find resources for college financing, to analyze the labor market for college graduates, and to learn about the importance of credit scores.

### **Financial Education Day**

This year, Financial Education Day returned to East Side High School in Newark, NJ. This System-wide annual program focuses on promoting discussions about the importance of financial education among students and educators nationwide. The Bank partnered with the Office of Employee Benefits to deliver presentations related to the costs and benefits of attending college. The lesson plans incorporated the Bank's research on the student loan landscape. The program welcomed more than 300 seniors who are all enrolled in personal finance classes.

### **High School and College Fed Challenge**

The Bank continues to reach a diverse audience of high school and college students through the Maiden Lane division of the Fed Challenges. Created in 2015, the Maiden Lane division seeks to educate students who have minimal exposure to economics. At the high school level, fifteen schools, many designated as Title I, participated in the program's multiple events,

including a "macro boot camp" in which Bank employees led workshops on the basics of monetary policymaking and case study analysis. At the college level, eight universities and community colleges participated, including four institutions from the City University of New York school system. Consistent with its goal of honing students' skills in policy analysis, the winning team of the College Fed Challenge Maiden Lane division, St. John's University Staten Island campus, traveled to the Board of Governors to observe the National College Fed Challenge.

### **Museum and Learning Center**

A key pillar of Outreach and Education's strategy to broaden its reach in the Second District to low- and moderate-income communities includes leveraging the Bank's newly renovated Museum and Learning Center. Youth outreach in the MLC has focused largely on educational programming targeting Title I schools in the region, and offering customized programming to youth organizations that serve majority-minority populations. In 2016, these efforts took three forms: creation of content in the form of new exhibits accessible to students and the general public to teach about the role of the Federal Reserve; targeted outreach to Title I schools for guided educational tours; and youth and community organization outreach.

- **New Exhibits and Title I Outreach:** The Bank has undertaken a multi-year effort to modernize the MLC space and the exhibits and to position the MLC as a hub for connecting the Bank with district communities through a variety of community outreach and education programming. In 2016, *A Look Inside Exhibit* was completed, which introduces visitors to the main roles and responsibilities of the Federal Reserve: monetary policy, supervision and regulation, and financial services. The exhibit takes visitors on a visual journey through the New York Fed's operations, using photography, objects, narrative, and video, and is the foundation of the Bank's daily tours guided by museum educators. In 2016, the MLC hosted 559 school tours, 85 of which were Title I schools. Between school visitors and the general public, the MLC welcomed over 22,000 visitors.



- Youth and Community Outreach: In 2016, Outreach and Education, often working with the Office of Diversity and Inclusion and the Employee Resource Networks, delivered educational programming in the MLC to a number of youth programs that serve low- and moderate-income student communities. Programming typically includes guided educational museum tours, networking opportunities with Bank staff, and an economic/financial education learning module. This initiative aims to provide young women and minority youth across the district access to the work of the Fed, to careers in economics, and to encourage their interest in economics and finance as a field of study and career choice.
- Groups that visited the MLC in 2016 include:
  - The Door's Young Adult Internship Program
  - Harlem RBI/Dream Academy
  - NYU GSTEM Summer Program
  - The NYC Department of Youth and Community Development Opportunity Youth Program
  - School of the Holy Child STEM Program
  - The Paulo Freire Charter School

### Community Development & Outreach

To help foster community development across its district, the Bank focused its efforts in 2016 on projects that make relevant and objective information available to as broad a group of constituents as possible and engage with low and moderate income audiences to better understand their needs and challenges. As a result of this two-way dialogue, the Bank has broadened the annual survey of small business owners to include more minority representation, continued to deliver technical assistance clinics to small businesses in the region, delivered new data tools to help community development professionals, enhanced its programming to ensure Community Reinvestment Act qualified investments and service meet the needs of low- and moderate-income populations, and supported President Dudley on his regional outreach visits to communities within the Second District. Select efforts are described in more detail below.

### National Small Business Survey

The New York Fed leads an annual survey partnership of the twelve Federal Reserve Banks. Focused on micro- and small businesses, the Small Business Credit Survey collects data from small firms across the country and provides information about their credit and service needs to policymakers, lenders, and service providers. The survey is distributed in partnership with hundreds of local, state, and national business organizations. The 2016 survey was the first national survey sample from this partnership, and the first in a series of reports will be issued in April 2017. The Banks have established partnerships with diverse national and local chambers of commerce, including the National Black Chamber of Commerce, National Hispanic Chamber, and National Association of Women Business Owners, to distribute the survey and foster community conversations about the survey results.


### Community Credit

Community Credit, a new digital tool and book, describes the financial health of communities by examining local credit conditions. The tool is designed to make practical and timely measures of financial well-being, viewed through the everyday lens of consumer credit, widely accessible to community development practitioners. The metrics, which center on degrees of financial access, stress, and mobility, are aimed at establishing consistent benchmarks that can be used by national and local leaders to evaluate financial capability and economic mobility programs. In 2016, the Bank's Community Development team partnered with philanthropic, nonprofit, and government leaders to discuss how Community Credit measures can be used to improve financial health, help target nonprofit resources, and assist communities in measuring change over time. Community forums were held in Newark, NJ; Rochester, NY; and Syracuse, NY.

### Puerto Rico Small Business Survey

As the Puerto Rico economy grapples with a decade-long recession, policymakers and local practitioners are seeking high-quality data on the state of important sectors, including small- and medium-sized businesses. Currently, no reliable





data is collected on business growth challenges or financing and credit conditions. In partnership with local civic groups and government agencies in Puerto Rico, the Bank launched the first survey of businesses on the island in Spring 2016. The survey report, released in November 2016, includes information about business conditions, financing needs and availability, growth barriers, and technical assistance needs.

### **Puerto Rico Outreach**

In addition to the survey of businesses, the Bank expanded and strengthened its programming in Puerto Rico. In early 2016 an awards ceremony was held to select the winning video of the Puerto Rico Financial Awareness Video Competition. The winning students earned an educational trip to the Bank's Museum and Learning Center and also received career counseling. In support of local businesses in the southern part of Puerto Rico, the Bank held a forum, in partnership with Pathstone, Inc., which provided information to 65 small business owners on how to access capital and technical assistance from non-profit and government sources. In early October 2016, the Bank held an impact investing conference to provide information to local stakeholders on how to support and grow an impact investing ecosystem. In November 2016, President Dudley visited Puerto Rico to learn how economic conditions impact the day to day lives of island residents and business owners.

### **Community Reinvestment Act (CRA)**

Outreach and Education works closely with the Consumer Compliance staff in the Supervision Group to enhance the effectiveness of the Community Reinvestment Act within the Second District. In 2016, the Bank refocused attention on developing programming, analytical products, and educational resources related to the Community Reinvestment Act that help key stakeholders including examiners, community organizations and financial institutions work more effectively and collaboratively in ensuring that qualified Community Reinvestment Act activity meets the needs of low and moderate income communities. The Bank has partnered with fellow regulators including the Federal Deposit Insurance Corporation and Office of the Comptroller of the Currency, on six different Community Reinvestment Act focused trainings reaching more than 350 stakeholders. The Bank is also in the process of building a new Community Reinvestment Act

website that will serve as a one-stop shop for interested stakeholders including consumers, community organizations and financial institutions.

### **Workforce Development Initiative**

The Bank has made a strategic effort in workforce development to promote dialogue and greater understanding of promising policies and programs that connect employers with skilled employees, positively impacting low- and moderate-income communities. Specifically, the Bank supports low- and moderate-income communities move toward self-sufficiency in the labor market through forums highlighting promising research and practices. In support of the region's workforce development efforts, the Bank organized three forums in the Capital Region, Downstate NY, and Puerto Rico aimed at improving workforce outcomes through partnership development with financial institutions and financial capability efforts. With the dual mission of meeting current and future employment demands while diversifying the data science industry, the Bank partnered with the Business-Higher Education Forum, in conjunction with academic and IT/financial industry entities, in developing the foundation of a skilled and diverse tech workforce. In an effort to raise awareness of in-demand middle-skill industries in the Greater Rochester area, the Bank partnered with three local Pathways in Technology Early College High Schools, in both urban and rural areas, to create short video clips demonstrating students' understanding and practice of technical and professional skills applicable to key regional industries. Approximately 50 videos were created by 116 students and nine videos were selected as finalists in December 2016 by a group of local employers in the region. The final awards ceremony took place in January 2017, when the winning team was selected by a panel of industry and community leaders and have their video shown in five local theaters in the Greater Rochester area in Spring 2017. The Bank also created a new Workforce Development webpage to highlight on-going and upcoming initiatives, as well as to serve as a resource for workforce practitioners and stakeholders.





### **President's Regional Outreach Visits**

President William C. Dudley continued to systematically tour specific regions throughout the Second District, focusing on low- and moderate-income communities. These outreach visits, which this year included trips to Bridgeport, CT; Binghamton, NY; Albany, West Point Academy, and Puerto Rico, were developed as a way to share research findings and new data tools, gather insights on local economic conditions that will help inform monetary policy, and strengthen the Bank's ties with the diverse constituents of the Second District.

### **CUNY Scholars Program**

The Bank partnered with the City University of New York to place undergraduate students in different business areas of the Bank — supporting the Bank's mission of diversifying the talent pool. Since its first year, the Bank has significantly expanded the program, from one student in 2013 to twelve students in 2016 across six groups. The Bank also started working on replicating this program with State University of New York undergrads and students of Per Scholas, a nonprofit organization dedicated to technology skills training of overlooked talent pools.

### **The Evolution of Work**

The Bank convened 120 attendees for "Evolution of Work: A Convening on Workforce Transformation." The conference, hosted by The Board of Governors of the Federal Reserve System, The New York Fed, and Freelancers Union, brought together thought leaders from academia, government, industry, labor, and the nonprofit world to explore workforce transformation issues and the gig economy. The event opened with remarks from Sara Horowitz, Founder & Executive Director, Freelancers Union; Randi Weingarten,

President, American Federation of Teachers; and President Dudley. Four insightful panel sessions throughout the day focused on how work is evolving, the size and impact of the gig economy, and implications for low-and moderate-income earners. Governor Brainard provided the lunchtime keynote address and Senator Mark Warner closed the program.

### **Challenges and Next Steps**

An ongoing challenge for the Bank's community development and education efforts remains reaching broader audiences across the geographically diverse Second District. We continuously strive to widen our reach and to create a two-way dialogue with a variety of communities in the region. In order to do so, the Bank will aim to expand programming to more areas of New York State, New Jersey, Connecticut, and Puerto Rico. We also plan to focus on these geographic areas in creating analytical tools for community development and education efforts.





## Looking Forward

The Bank continues to build on the foundation created in 2011, the implementation year of Section 342 of the Dodd-Frank Act, to leverage its commitment and learnings to better advance its diversity and inclusion goals with respect to workforce diversity, business and supplier diversity and economic education and outreach. Importantly, the New York Fed's senior management team formally reaffirmed its commitment to sustaining and advancing diversity and inclusion as a means to improve the quality of outcomes and the quality of work experience for Bank employees. The Bank remains committed to dedicating the necessary Bank resources to help move more defined and targeted initiatives forward. Adhering to the strategic plan with a focus on workforce and workplace diversity, the Bank will closely monitor progress as it executes toward these defined strategic objectives, as well as monitoring and sustaining progress on supplier diversity, community development, outreach and economic education. To do so, the Bank will continue to collaborate across business groups within the Bank, as well as with diversity partner organizations and to share learnings and effective practices that maximize the impact of our diversity and inclusion efforts.

With respect to workforce diversity, the Bank remains committed to enhancing representation of minorities and women at the senior officer level, and to expanding and further developing its pipeline of diverse talent. As the Federal Reserve System adheres to the spirit and intent of the federal hiring freeze, the opportunities to diversify the workforce through external recruitment diminish. The Bank is aware of this and will seek to maximize the value of each opportunity to externally recruit to make progress toward greater workforce diversity. The New York Fed will continue to reassess its diversity recruitment program on an on-going basis to make refinements where necessary and identify new opportunities for sourcing candidates. The Bank will continue to work to strengthen and fully leverage its partnerships with select diversity professional organizations. Additionally, the New York Fed will continue to support its diversity recruitment social media campaign in 2017.

The 2016 Annual OMWI Report highlights many of the Bank's existing diversity and inclusion initiatives and outlines plans in place for 2017. The Bank will continue to emphasize the diverse slate approach in procurement, ensuring that whenever possible, business areas make a reasonable effort to include minority- or women-owned businesses on all prospective vendor lists. The New York Fed will work to enhance its sourcing and outreach efforts to grow its pool of diverse-owned vendors.

The Bank will continue to work to enhance its economic education outreach to underserved high school students and promote possible careers in economics and finance. In 2017, the New York Fed will continue to reach out to Title I high schools and community colleges through programs such as the High School and College Fed Challenge. The Bank will also review expansion of the "Undergraduate Student Summit" as well as explore graduate and experienced level engagement. In keeping with the Bank's objective to strengthen the ties between the New York Fed and local communities, the New York Fed will continue to leverage multiple avenues to engage in dialogue and build strong relationships with a wide range of Second District stakeholders.

The New York Fed appreciates the opportunity to report on its progress in strengthening the Bank's diversity and inclusion program. To effectively fulfill the New York Fed's public service mission, the Bank must continue to ensure that diversity and inclusion are core considerations in its recruitment, procurement practices, outreach, and partnerships with Second District constituencies and community groups. For this reason, the New York Fed views the principles underlying Section 342 of the Dodd-Frank Act as critical to the long-term success of its core mission.





## Appendix A *Diane T. Ashley Biographical Information*

**Diane T. Ashley**, Vice President

Chief Diversity Officer and Director, Office of Minority and Women Inclusion  
The Federal Reserve Bank of New York

Diane T. Ashley is Vice President and Chief Diversity Officer of The New York Fed, a position she assumed in 2007. As an industry expert in diversity and inclusion with over 20 years of aggregate experience in recruitment and talent development, workforce and supplier diversity, and community relations, Diane's focus has been to create a strategy for impact in advancing diversity and inclusion at all levels of the organization. In 2011, Diane's responsibilities increased when she was appointed Director of the Bank's Office of Minority and Women Inclusion, prescribed in Section 342 of the Dodd-Frank Act. Her role as Chief Diversity Officer was further expanded in 2013 to include oversight of the Bank's volunteerism efforts.

Diane holds a Juris Doctorate degree from Rutgers University School of Law, a Master's degree in Human Resources Education from Boston University, and a Bachelor's degree in French from Yale University, where she spent her junior year at the Sorbonne in Paris, France.

Diane serves as a board member of The Executive Leadership Council Foundation and was a founding member of its Black Women's Leadership Summit. She also serves on the Rutgers Business School Board of Advisors and on the board of New York Theological Seminary (NYTS), where she was chair for ten years. Diane is a member of the Belizean Grove and the Bergen County, NJ, chapter of The Links, Inc. She received the NYTS Urban Angel Award in April 2013, the Norman Vincent Peale Award for Positive Thinking, and was included as one of "Fifty Amazing African-American Women in Business, Politics and Philanthropy" (the *Jane Dough* blog, February 12) in 2013.



# Appendix B *Federal Reserve Bank of New York Workforce Information Report*

			JOB CATEGORIES										
			Executive/Sr. Officials & Mgrs.	First/Mid. Officials & Mgrs.	Professionals	Technicians	Sales Workers	Administrative Support	Craft Workers	Operatives	Laborers & Helpers	Service Workers	TOTAL
HISPANIC OR LATINO	MALE		1	28	97	3	0	5	5	9	0	21	169
	FEMALE		0	23	91	0	0	34	0	9	0	2	159
NOT-HISPANIC OR LATINO	MALE	WHITE	20	345	520	1	0	36	41	11	0	56	1030
		BLACK OR AFRICAN-AMERICAN	3	24	102	0	0	15	6	9	0	29	188
		NATIVE HAWAIIAN OR PACIFIC ISLANDER	0	0	2	0	0	0	0	0	0	0	2
		ASIAN	0	57	252	1	0	15	1	18	0	8	352
		AMERICAN INDIAN OR ALASKAN NATIVE	0	0	0	0	0	0	0	0	0	2	2
		TWO OR MORE RACES	0	3	9	0	0	0	0	0	0	0	12
	FEMALE	WHITE	12	208	354	0	1	66	0	3	0	12	656
		BLACK OR AFRICAN-AMERICAN	0	38	142	0	0	68	1	17	0	8	274
		NATIVE HAWAIIAN OR PACIFIC ISLANDER	0	0	0	0	0	0	0	0	0	0	0
		ASIAN	0	71	214	0	0	20	0	10	0	0	315
		AMERICAN INDIAN OR ALASKAN NATIVE	0	0	0	0	0	0	0	0	0	0	0
		TWO OR MORE RACES	0	3	6	0	0	1	0	0	0	0	10
OVERALL TOTALS			36	800	1789	5	1	260	54	86	0	138	3169



# Appendix C *Employee Resource Network Community Engagement – 2016*

Program/ Project Name	External Partner Organization	Resource Network(s)	Type of Outreach	Month of Outreach	Description
<b>Dress for Success &amp; Career Gears Volunteer Event</b>	Dress for Success & Career Gears	MOSAIC AALMA Open WoMen	Clothing Drive	September	Volunteers visited the facility to donate and sort through all donations at the facility for both organizations.
<b>Mentoring NFTE Students</b>	National Foundation of Teaching Entrepreneurship (NFTE)	MOSAIC	Mentoring	May	Opportunity to mentor high school students who participated in the NY Metro Regional Business Plan Competition in June.
<b>NYC Young Adult Educational Program</b>	NYC Department of Youth and Community Development	MOSAIC	Mentoring	May	A young adult educational program hosted by the Bank. Volunteers spoke with the young adults about their career trajectories and to provided career tips and advice as these individuals began internships and enter the workforce.
<b>7th Annual Big Apple Run for the Warriors</b>	Hope for Warriors	Veterans	Community Affairs	June	Team of 14 coordinated with FedAbility on the Heart Run.
<b>Holiday Drive to send items to troops for the Holidays</b>	N/A	Veterans	Community Affairs	November/ December	Donations collected from Bank employees to create 30 boxes of games, food and personal items sent to troops overseas.
<b>Greenlight Initiative</b>	Enterprise Resiliency Group	Veterans	Community Affairs	November/ December	A green lightbulb was placed in the Main building, 33 Maiden Lane and East Rutherford Operations Center (EROC) to show support for troops deployed overseas.
<b>Special Olympics</b>	Special Olympics Committee	FedAbility	Volunteerism	June	Bank volunteers, friends and family served as athlete escorts. Each volunteer paired with a Special Olympic athlete.
<b>Disability Mentoring Day</b>	National Business Disability Council & NYC Mayor's Office	FedAbility	Student Mentoring	October	FedAbility hosted a one-day mentoring program on 10/25/16 in the Main Building 1st floor museum for students with disabilities (college students and recent college graduates), interested in learning about the skills and education needed to succeed in the banking industry.
<b>Achilles Run</b>	Achilles Foundation	FedAbility	Community Engagement	November	FRBNY volunteers assisted disabled athletes, and their families, at the NYC Marathon.
<b>United Way Resume Review/ Mock Interviews</b>	United Way Coalition for the Homeless	Generations	Financial Education	May	Volunteer Program hosted by United Way in coordination with Coalition for the Homeless. 20 volunteers assisted with a resume review and mock interview workshop for participants in the Coalition for the Homeless' First Step Program.
<b>Clothing Drive</b>	AABR	Generations	Clothing Drive Winter Accessories (Hats, Gloves, Scarves)	December	Generations and AALMA co-sponsored a winter accessories drive (hats, scarves, gloves) that were delivered to AABR. AABR.org is an organization committed to charting new courses in services for the developmentally disabled.



# Appendix C *Employee Resource Network Community Engagement – 2016 (continued)*

Program/ Project Name	External Partner Organization	Resource Network(s)	Type of Outreach	Month of Outreach	Description
<b>FRBNY Toiletry Drive for Homeless LGBT youth</b>	New Alternatives	Open	Clothing or Supply Drive	June	Toiletries were collected on FRBNY premises and delivered to New Alternatives.
<b>God's Love We Deliver Food Delivery</b>	God's Love We Deliver	Open	Other Volunteer Project	February	Volunteers served dinner to organization's clients in need and cleaned dining hall.
<b>Gay Men's Health Crisis Food Service</b>	Gay Men's Health Crisis	Open	Other Volunteer Project	May / Dec	Volunteers delivered prepared meals to organization's clients in need at first date and wrapped gifts at second date.
<b>Back to School Supply Drive</b>	United Way	Working Families Network	Supply Drive	August	Volunteers collected school supplies for students in coordination with United Way.
<b>Pajama Program</b>	Pajama Program	Working Families Network	Clothing or Supply Drive	October	Volunteers purchased new pajamas and books for children in need.
<b>EROC Food Drive</b>	Rutherford Community Food Pantry	Working Families Network	Supply Drive	November	Volunteers donated items to the food pantry, which meets both emergency and ongoing needs of community members.
<b>High School Mentoring Program</b>	Curtis and James Madison High Schools	AALMA	Educational	Jan-May Sep-Dec	Mentored students on life lessons, the college application process, and potential career choices.
<b>School Outreach Initiative</b>	NYCDOE, NJDOE, CUNY, SUNY	AALMA	Educational/ Offsite School Visits	January- December	Teaches students from high schools and community colleges in the Second District about the Fed's role in supporting the economy and how the Fed's policy actions impact students' everyday lives.
<b>Generation School Network Visit &amp; Career Chat</b>	Generations School Network, Brooklyn	AALMA	Educational/ Onsite School Visits	March	Economic literacy presentation to high school students on the Fed's role in supporting the economy and career conversation with members of Generation School and AALMA Employee Resource Networks.
<b>Department of Youth and Community Development Enrichment Program</b>	NYC Department of Youth and Community Development	AALMA	Educational/ Onsite School Visits	May	Afternoon of educational programming for 50 students. Presentations from Bank speakers, Museum Tour and workshop on building healthy credit.
<b>Read Ahead (Formerly known as Power Lunch) partnered with NYC DOE</b>		APNA		September	The Read Ahead program allows Bank employees an opportunity to read to kids bi-monthly during their lunch hour at a school in the nearby Chinatown community.





# Appendix D *Federal Reserve Bank of New York Technical Assistance Forum*

## **Technical Assistance Forum for Minority and Women-Owned Businesses in Information Technology**

This event will acquaint suppliers with the Bank and provide the opportunity to meet and network with representatives of the Bank’s Technology Group.

**Date** ..... **Wednesday, November 16, 2016**  
**Time** ..... **1:00 PM – 4:00 PM**  
**Location** ..... **33 Liberty Street  
13th Floor Conference Center, Room 36**

### **AGENDA**

#### **Presentations: 1:00 PM – 2:00 PM**

- Opening - Strategic Sourcing Manager, Procurement Value Management
- About Federal Reserve System and Federal Reserve Bank of New York - Associate, Outreach and Education
- About Federal Reserve Bank of New York Sourcing Process - Strategic Sourcing Manager, Procurement Value Management
- What the Bank Looks for in a Supplier - Strategic Sourcing Associate, Procurement Value Management
- Financial Acumen / Access to Capital / Small Business Survey - AVP, Outreach and Education
- Economist Update on Small Businesses - Economist, Macro and Monetary Studies
- Closing Thoughts - EVP, Technology Services

#### **Networking: 2:15 PM – 4:00 PM**

*Refreshments will be served*



## Appendix E *Federal Reserve Bank of New York Supplier Diversity Outreach Activities – 2016*

MONTH	ORGANIZATION	ACTIVITY
<b>January</b>	Financial Services Roundtable for Supplier Diversity	FSRSD Website Committee Meeting
<b>January</b>	Financial Services Roundtable for Supplier Diversity	2016 Strategic Planning Meeting
<b>January</b>	Women Presidents' Educational Organization	WPEO – NY Celebrating Our Partners 2016
<b>February</b>	Institute for Supply Management	ISM Supplier Diversity Meeting
<b>February</b>	National Hispanic Business Group	NHBG Annual Meeting
<b>February</b>	New York and New Jersey Minority Supplier Development Council	NYNJMSDC Members Meeting
<b>March</b>	Women Presidents' Educational Organization	Annual Awards Breakfast
<b>March</b>	Institute for Supply Management	ISM Supplier Diversity Meeting hosted at FRBNY
<b>March</b>	Financial Services Roundtable for Supplier Diversity	FSRSD Members Meeting
<b>April</b>	Institute for Supply Management	Annual ISM Supplier Diversity Fair and Meeting
<b>May</b>	Financial Services Roundtable for Supplier Diversity	FSRSD Members Meeting
<b>June</b>	New York and New Jersey Minority Supplier Development Council	Business Opportunity Expo
<b>August</b>	Women Presidents' Educational Organization	NY Corporate Roundtable and Luncheon
<b>August</b>	Financial Services Roundtable for Supplier Diversity	FSRSD Members Meeting
<b>October</b>	Women Presidents' Educational Organization	NY Breakthrough Breakfast and Procurement Fair
<b>October</b>	National Minority Supplier Development Council	2016 NMSDC Conference and Business Opportunity Exchange



# Appendix F *Core Measures – 2016*

FEDERAL RESERVE BANK OF NEW YORK							
CATEGORY	DESCRIPTION	MEASURE	2012	2013	2014	2015	2016
WORKFORCE DIVERSITY	Senior Executives	Total #	59	61	55	37	36
		% Minorities	14%	13%	15%	14%	11%
		% Women	37%	38%	38%	32%	33%
	Mid-Level Managers	Total #	652	678	587	793	800
		% Minorities	23%	24%	24%	29%	31%
		% Women	40%	40%	40%	42%	43%
	Professionals	Total #	1,694	1,754	1,856	1,761	1,789
		% Minorities	49%	49%	50%	50%	51%
		% Women	49%	47%	45%	44%	45%
	Total External Hires	Total #	361	272	305	327	289
		% Minorities	45%	47%	40%	46%	46%
		% Women	35%	32%	37%	43%	41%
	Total Interns	Total #	81	62	43	57	62
		% Minorities	42%	35%	49%	39%	42%
		% Women	35%	35%	47%	39%	37%
SUPPLIER DIVERSITY	Overall Bank Turnover Rate	%	9.2%	9.7%	9.8%	9.0%	8.5%
	Total Reportable Spend	\$ (Millions)	196.4	195.2	181.0	186.0	177.20
	Total Diverse Spend <sup>1</sup>	\$ (Millions)	9.09	8.05	21.45	14.35	11.94
		%	4.6%	4.1%	11.9%	7.7%	6.7%
	Minority-Owned <sup>2</sup>	\$ (Millions)	5.34	5.91	15.70	8.64	7.16
		%	2.7%	3%	8.7%	4.7%	4%
	(Men)	\$ (Millions)	4.03	4.93	8.43	5.53	3.56
		%	2.1%	2.5%	4.7%	3%	2.8%
	(Women)	\$ (Millions)	1.30	.98	7.29	3.11	3.60
		%	.7%	.5%	4%	1.7%	1.2%
Women-Owned <sup>2</sup>	\$ (Millions)	5.05	3.12	13.04	8.82	6.98	
	%	2.6%	1.6%	7.2%	4.8%	3.9%	
(Non-Minority)	\$ (Millions)	3.75	2.13	5.75	5.71	4.78	
	%	1.9%	1.1%	3.2%	3.1%	2.7%	
(Minority)	\$ (Millions)	1.30	.98	7.29	3.11	3.60	
	%	.7%	.5%	4%	1.7%	1.2%	

<sup>1</sup>Total Diverse Spend = Minority-owned (men) + Minority-owned (women) + Women-owned (non-minority).

<sup>2</sup>Women-minority numbers are included in both Minority-owned and Women-owned totals.



# Appendix F *Core Measures – 2016 (continued)*

		2016
		<b>FINANCIAL LITERACY<sup>1</sup></b>
	<b>Number of Events</b>	<b>134</b>
	<b>Program Type</b>	
	- Teacher centric	1
	- Student centric	4
	- Hybrid	2
	<b>Number of Students<sup>2</sup></b>	<b>3,369</b>
	<b>Number of Educators<sup>3</sup></b>	<b>121</b>
	<b>Number of Students Reached<sup>4</sup></b>	<b>12,444</b>

<sup>1</sup>Measures report only those OMWI students and teachers who participate in or are reached through programs that have a financial literacy focus. OMWI targeted schools are considered to be inner-city, majority-minority, and all-girls high schools.

<sup>2</sup>Students who attended in-person programs and enrolled in online programs.

<sup>3</sup>Educators who attended in-person programs and enrolled in online professional development programs.

<sup>4</sup>Students reached through educators using a common multiplier of 75.





FEDERAL RESERVE BANK *of* NEW YORK

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